



Missouri **ENTERPRISE**

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Mission Statement: To make Missouri the best place to live, work, vacation and conduct business.

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Department of Economic Development

DED's Business Services Division under new leadership

David E. Seamon, Sr. joined the Missouri Department of Economic Development on January 19 as the new Director of the Business Services Division. Under his leadership, the Division's primary focus will be to help recruit new jobs and capital to the state of Missouri.

Seamon brings a wealth of experience to the position from the economic and community development fields, as well as the private business and government sectors. He comes to the Department of Economic Development after most recently holding the position of Chief Marketing Officer of the Colorado Springs Economic



Development Authority of DeKalb County in metropolitan Atlanta and was a state project manager at the South Carolina Department of Commerce and later at Georgia Power Company.

Prior to beginning his career in

Development Corporation, a nationally acclaimed marketing organization.

He also served as executive director of the

economic development, Seamon managed an industrial manufacturing group at Mack Trucks, Inc. and worked on the staffs of the United Nations and Carter Center. He is a former United States Marine.

Seamon has an MBA from Wake Forest University and studied European Business at Oxford University in Oxford England. Currently, he is writing a thesis to complete the graduate requirements of a master of international relations at the Fletcher School of Law and Diplomacy, Tufts University in Boston, Massachusetts.

Seamon replaces Phil Tate, who retired September 1.

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Holden announces 500 new jobs in Joplin

Governor Bob Holden joined Mayor Richard Russell, Michael Clark, executive vice president of JPMorgan, John Chappell, president of SST Inc., and other state, local and company officials on January 9 to announce that Systems and Services Technology (SST) Inc. will expand its operations and nearly quadruple its workforce in Joplin.

SST, which processes automobile loans, currently employs 170 at its Joplin facility with plans for 500 additional jobs in three years. The company intends to use state and

local resources to purchase, renovate and equip a former Wal-Mart store in Joplin to accommodate the \$16.5 million expansion.

The Missouri Development Finance Board gave preliminary approval for nearly \$1.04 million in BUILD bonds in October. The Board is expected to grant final approval of the project soon.

"As Missouri begins to recover from the national recession, my administration is focused on creating jobs to build economic security for

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2004 Missouri Arts Awards

The Governor and First Lady Lori Hauser Holden presented awards to some of Missouri's most dedicated individuals and organizations at the 2004 Missouri Arts Awards ceremony on February 11.

The awards are presented annually in five categories, with winners selected for their contributions to the arts in Missouri. This year's winners are:

Arts Education: Annelise Mertz, St. Louis, who is recognized nationally as a pioneer in dance. She is professor emerita of dance at Washington University and founder and former director of the Dance Division of the Performing Arts Department.

Arts Organization: Coterie Theatre, Kansas City, which is cited as one of the top ten children's theaters in the country. Its mission is to open lines of communication between races, genders, and generations.

Individual Artist: Agnes Wilcox, St. Louis, who pushes the boundaries of theater by bringing fresh new works, many written by women, to audiences in atypical venues, the most unusual of which are juvenile detention centers and prisons through the Prison Performing Arts Program.

Leadership: Kyna Iman, Salisbury, who is a long-time lobbyist for the arts community in Missouri. Her work has resulted in increased public funding for the arts and the establishment of the Missouri Cultural Trust, a national model for states with endowments for the arts.

Philanthropy: Kenneth and Nancy Kranzberg, St. Louis, who have

worked tirelessly on behalf of arts education and accessibility to the arts for Missourians. They have volunteered countless hours and provided financial resources to hundreds of arts organizations in an effort to sustain and enhance the cultural landscape of the state.

The 2004 Missouri Arts Awards ceremony also included a special Ruby MAC Award for Frances Poteet, MAC Director from 1968-1973, who was honored for her contribution to the Missouri Art Council's early develop-

ment and the arts in Missouri. This special award is in celebration of the Council's 40th anniversary.

The **Missouri Arts Council**, a division of the Department of Economic Development, sponsors the annual awards program. The Council started the awards program to honor and recognize those who have made enduring contributions to the state's cultural environment. Honorees are selected based on the impact their efforts and/or body of work have had on their community, region and state.



(Front row left to right:) Annelise Mertz, Frances Poteet (Second row left to right:) Nancy Kranzberg, Agnes Wilcox, First Lady Lori Hauser Holden (Back row left to right:) Ken Kranzberg, Kyna Iman, Jeff Church, Artistic Director of the Coterie Theater, and Joette Pelster, Executive Director of the Coterie Theater

calendar

March 17	Missouri Service Day Jefferson City
March 18-29	Legislative Spring Break
May 3-5	Bio Mid-America Venture Forum 2004 - St. Louis
May 5-6	InvestMidwest Capital Forum - St. Louis
May 7	Truman Day (Observed) State Offices Closed
May 14	92nd General Assembly 2nd Regular Session Ends
May 19-21	Governor's Business Development/MEDC Conference - Lake Ozark
June 6-9	BIO 2004 Annual International Convention San Francisco

state of employment

Labor market conditions continued to show signs of improvement, with Missouri's unemployment rate falling sharply in January to 4.7 percent, a decrease of 0.7 percentage points from December's revised rate. The state also experienced gains, on a seasonally adjusted basis, in payroll employment, according to the Missouri Department of Economic Development.

The state's unadjusted unemployment rate was 5.4 percent, up two-tenths of a point from December's revised rate. Unadjusted unemployment typically increases in January, but this year's increase was fairly small, and that smaller-than-usual increase caused the seasonally adjusted unemployment rate to fall between December and January.

Non-farm payroll employment grew by 7,900 jobs, on a seasonally adjusted basis to 2,688,000. Gains occurred in construction (4,100); manufacturing (1,800); trade, transportation and utilities (2,000); educational and health services (5,100), and government (2,800).

Most industries experience a seasonal drop-off in employment in January. Outdoor activities such as construction are negatively affected; tourism-related industries fall to their lowest levels in the winter; public and private schools are closed for breaks in the January reference week. This year's smaller-than-usual decreases resulted in an increase in the seasonally-adjusted level of employment.

DED awards Customized Job Training funds statewide

The Missouri Department of Economic Development and its Division of Workforce Development approved more than \$300,000 in customized training funds in February to assist with employee training for 19 companies across the state.

DED Director Kelvin L. Simmons announced the award of the customized training funds, which will be used to facilitate training for about 957 new or existing employees. The funds are for the current fiscal year. Companies will use the funds to pay for training programs customized to their particular industry and needs.

Money for the training was appropriated by the General Assembly to the Missouri Job Development Fund and will be administered through the state's [Customized Training Program](#). The Missouri Job Development Fund

assists new or expanding businesses that wish to either train employees in newly created jobs, or retrain and upgrade the skills of existing employees. The overall purpose of the program is to increase and improve the quality of the state's workforce through training initiatives, which are intended to raise Missouri worker productivity. That in turn attracts economic opportunities to the state.

The program is offered through DED's Division of Workforce Development in cooperation with the Department of Elementary and Secondary Education. Community colleges and area vocational technical schools will administer the program locally. Training may be in a traditional classroom setting located in one of Missouri's local education institutions or at the company site.

Customized Training Funding approved

<i>Company</i>	<i>City</i>	<i>Employees</i>	<i>Funds</i>
ISP Minerals, Inc.	Annapolis	50 jobs	\$17,250
Spartech Plastics	Cape Girardeau	95 jobs	\$11,500
Findlay Industries	Chesterfield	150 jobs	\$28,750
Schreiber Foods Inc.-Capri	Clinton	50 jobs	\$11,500
Trane Corp.	Fenton	33 jobs	\$14,950
Ruskin	Grandview	50 jobs	\$11,500
Aventis Pharmaceuticals	Kansas City	50 jobs	\$21,131
Honeywell	Kansas City	15 jobs	\$ 6,512
Labconco Corp.	Kansas City	9 jobs	\$ 3,450
Lear Corporation	Liberty	100 jobs	\$28,750
EFCO Corp.	Monett	75 jobs	\$23,000
MoCap Plastic Products	Park Hills	25 jobs	\$13,800
Sioux Chief Manuf. Co.	Peculiar	20 jobs	\$15,410
Vi-Jon Laboratories Inc.	St. Charles	56 jobs	\$23,000
Tacony Manufacturing	St. James	20 jobs	\$14,950
Collins and Aikman	St. Louis	45 jobs	\$19,550
EFC International	St. Louis	14 jobs	\$ 2,942
Biltbest Products, Inc.	Ste. Genevieve	50 jobs	\$13,886
Ameriwood Industries Inc.	Wright City	50 jobs	\$20,700



Missouri Division of Finance receives national re-accreditation

The [Missouri Division of Finance](#) recently received its fourth certificate of accreditation from the Conference of State Bank Supervisors. The accreditation certifies that the division is maintaining the highest standards and practices in state banking supervision. The Division was first accredited in 1987.

The Conference of State Bank Supervisors (CSBS) is the professional association of state officials responsible for chartering, supervising and regulating the nation's state-chartered commercial and savings bank and state-licensed foreign banking offices.

"I want to congratulate the Division of Finance for maintaining such high standards in its supervision of the state's banking industry," said Kelvin Simmons, director of the Missouri Department of Economic Development. "Recent statistics show that the state's banks are healthy and thriving, making the banking industry an integral part of our economy. I expect the Division of Finance to continue providing the same quality of oversight to ensure that consumers can remain confident in Missouri's banking system."

The accreditation process consisted of a self-evaluation, as well as an external review. The Division first completed an extensive questionnaire, evaluating all of its operations, from administration and finance, to personnel, training, examination, supervision and legislative power.

An external review team, which is comprised of veteran state and federal regulators, then performed an on-site review. The external team's findings were presented to an audit

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Holden establishes Missouri Automotive Partnership

Gov. Bob Holden signed an executive order to create the Missouri Automotive Partnership during press conferences held January 14 at the Ford Kansas City Assembly Plant in Claycomo and the DaimlerChrysler Assembly Plant in Fenton.

The new privately funded, not-for-profit corporation will provide research and information essential for the promotion of the automotive industry in Missouri, including stabilizing and increasing employment. It will also help strengthen collaboration within the industry, labor organizations, higher education institutions and area development experts in order to help the industry remain competitive and viable in Missouri in the future.

“By creating the Missouri Automotive Partnership, we are helping to ensure the auto industry remains a strong part of Missouri’s economy in the years ahead,” said Holden. “I am also hopeful that the Partnership will encourage our businesses, business organizations, and educational institutions to work together to keep this industry strong and vibrant in Missouri.”

The Missouri Automotive Partnership is patterned after ones already established in the state of Michigan and in Canada. It will provide critical advice to the state as to the current automotive industry environment within Missouri, across the nation

and globally.

The MAP's membership will be comprised of no more than 36 individuals with staggering three year terms, including representatives from each of the major automotive assemblers located in Missouri; automotive industry supplier manufacturers in Missouri; automobile dealers in the state; organized labor; the University of Missouri System and other public or private higher education institutions; the Missouri Community College System; the directors of the state departments of Economic Development, Natural Resources and Labor and Industrial Relations; the Speaker of the House of Representatives; the President Pro Tem of the Senate; and regional economic developers.

During the press conferences, Governor Holden named Bill Nelson, chairman, George K. Baum Asset Management in Kansas City, and Chuck Mueller, who recently retired as chief executive officer of AmerenUE in St. Louis, as the initial co-chairpersons for the MAP. Mueller recently served as chair of the Ford Hazelwood Task Force, where his leadership ensured an effective, coordinated plan of action in the state’s successful efforts to keep the St. Louis Ford Assembly Plant in Hazelwood from closing. Both men will serve in this capacity for one year and will begin their duties by assisting Gov. Holden in appointing the MAP advisory board members.

Automotive partnership duties are six-fold:

- Research and investigate issues and problems related to the automobile industry;
- Review and analyze proposed legislation and regulatory changes that affect the automobile industry in Missouri;
- Identify and prioritize key issues relating to the competitiveness of the automobile industry;
- Make recommendations regarding actions to strengthen the automobile industry in the short- and long-term, as well as opportunities for future innovation and investment in the industry;
- Share informed opinions with policy makers regarding future, structural changes in automotive markets and technologies that could affect the state’s overall economy; *and*
- Assist policy makers in developing strategies to assist the state in retaining, growing, and attracting highly productive, competitive and quality employment in the automobile industry.



500 new jobs *continued*

Missouri's families, businesses and communities," Holden said. "A project of this magnitude and the creation of 500 new jobs is a tremendous boost for Joplin's and Missouri's economies.

"We were able to accomplish this project because multiple government agencies worked well together, along with our local, regional and private sector partners. The result is a bright new opportunity for Joplin to prosper. We are pleased that SST chose Joplin as its expansion site-another example of a company choosing Missouri's great workforce and sound business climate."

Missouri's BUILD program provides state tax credits to a business in the amount of debt service payments for industrial revenue bonds related to a portion of project costs. The incentives are designed to reduce necessary infrastructure and equipment expenses, once a project demonstrates a need for funding. The business must submit an application to the Department of Economic Development and the Missouri Development Finance Board for review on a case-by-case basis.

SST, a subsidiary of JP Morgan Chase Bank, is a leading third party servicer of automobile loans. In 2003, the company acquired a substantial loan portfolio from a business located in Indianapolis. The work resulting from that acquisition will be transferred to the new site in Joplin. SST boasts a strong presence in Missouri with the Joplin facility, and 675 employees at its headquarters in St. Joseph. SST also has facilities in Indiana and Texas, both of which also offered financial incentives for the proposed expansion.

The Missouri Department of Economic Development expects to grant up to \$300,000 in new jobs training bonds as part of the incentive package.

Missouri Division of Finance re-accreditation *continued*

team and to the Performance Standards Committee, which voted on the reports of the review and audit teams.

"We are very proud of both our success and service at the Division of Finance," said Eric McClure, commissioner of the Division of Finance. "We strive diligently to maintain a safe and sound banking system in Missouri and are pleased to have our efforts recognized with this national accreditation."

The Division of Finance is a regulatory agency within the Missouri Department of Economic Development. It is responsible for the incorporation and regulation of state-chartered banks, trust companies, savings banks and savings and loan associations. It supervises 298 commercial banks, with total assets of \$51.7 billion and deposits of \$36.8 billion; 11 non-deposit trust companies and one savings bank.

Simmons receives the Government Employee Commission Award



(Front row left to right:) Kelvin L. Simmons, Economic Development director, receives the Government Employee Commission award from Governor Bob Holden and Andre Grinston, Adult Award Chair and DED project manager.

Gov. Bob Holden presented the 2004 Government Employee Commission Award to Department of Economic Development Director Kelvin Simmons at a ceremony honoring the contributions of the late Reverend Dr. Martin Luther King, Jr.

The award was presented to Simmons during the annual Dr. Martin Luther King, Jr. Birthday Celebration sponsored by the Dr. Martin Luther King, Jr. State Celebration Commission's Central Missouri Committee on January 12 at the Capital Plaza Hotel in Jefferson City.

Simmons was honored for his leadership, commitment and dedication toward the pursuit of equal opportunities for Missourians, particularly during his time at the Missouri Public Service Commission (PSC) - the state's energy regulatory agency under the Department of Economic Development.

Missouri PMI Shows Expansion for 2 Straight Years

The January Purchasing Managers Index (PMI) score for Missouri was 59.9, marking the 24th consecutive month that the state's score has been above the 50 level, which is considered to be one sign of an expanding economy. The state had strong scores in production (68.0), new orders (65.0) and employment (57.0), giving further evidence that Missouri's economy is rebounding, including the manufacturing sector.

Economists consider the Purchasing Managers Index, which measures such factors as new orders, production, supplier delivery times, backlogs, inventories, prices, employment, import orders and exports, a key indicator of economic conditions.

Overall, for states in the mid-America region the average score increased to 62 in January from 55.9 in December. Other states in the survey included Kansas (71.0), Iowa (64.1), South Dakota (60.5), North Dakota (59.8), Minnesota (58.3), Nebraska (57.8) and Oklahoma (54.2).

Only Arkansas scored below 50 at 49.4.

The national average for January was 63.6.

The Purchasing Managers' Index is part of a monthly Mid-American Business Conditions Survey, conducted by Creighton University in Omaha, NE.

Missouri Exports Continued to Rebound in 2003

As economic conditions began to improve in Missouri in 2003, so did international sales of the state's products. Missouri exports increased by 6.5 percent over 2002 to \$7.23 billion compared to \$6.79 billion the previous year, according to the Missouri Department of Economic Development.

Missouri ranked 26th in the nation for export sales; however, the state's international sales grew at a faster pace than the nation's, which averaged a 4.4 percent increase in 2003.

Four of Missouri's top ten export categories saw double-digit gains: chemicals rose 24 percent; plastics and rubber rose nearly 20 percent, leather products increased 11 percent and electrical equipment, appliances and components rose by 10 percent. Another four of the top ten categories saw smaller gains: machinery (10%), computer and electronic products (9%), fabricated metal products (6%) and primary metal manufacturing (4%).

Transportation equipment was Missouri's top export commodity in 2003, with nearly \$2.2 billion in sales, but industry sales declined by -4.51 percent. Food and kindred products was the only other industry in the top ten to experience slumping sales of -1.03 percent.

Canada and Mexico remained Missouri's top export recipients. Canada imported \$3.08 billion worth of Missouri goods, a decrease of -1.16 percent. Sales to Mexico increased by nearly 8 percent to \$748 million. Eight of the top ten export destinations increased sales, with five registering double-digit increases: Japan, China, Italy, Hong Kong and Belgium. Only two top ten countries imported fewer Missouri goods, including Canada and the United Kingdom (-12.21 percent).

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NEWS BRIEFS

Manufacturer to expand in Peculiar

Sioux Chief Manufacturing Company, located in Peculiar, will soon be expanding its facility to accommodate growth, 53 new jobs and \$1.5 million in investment, thanks in part to a state grant.

The Missouri Department of Economic Development has awarded a \$515,000 Industrial Infrastructure Grant through the Community Development Block Grant program to Peculiar, located in Cass County. Officials plan to use the grant to make sewer system improvements that are required for the business expansion.

The sewer system improvements in Peculiar will include extending sewer lines about 8,000 feet to serve the Sioux Chief location. Currently, the facility is served by an on-site septic system. This system cannot accommodate the planned expansion of the company.

Sioux Chief manufactures plumbing products. The company moved to Peculiar from Grandview, Missouri in 1983. The plant occupies more than 145,000 square feet on 120 acres of land.

State loan supports call center in Nevada

The Missouri Department of Economic Development has approved a request from the city of Nevada on behalf of InSite Support Services, Inc. for a \$160,000 Action Fund Loan through the Community Development Block Grant program. The low-interest loan will provide working capital for the new company, which will invest \$759,000 and create at least 80 full-time jobs in the next two years.

InSite Support Services, Inc. was founded in 1999 and is based in Newberry, South Carolina. The company is an incoming call center that primarily provides call-handling and technical support services for independent utility companies, including several independent, rural telephone companies and Internet Service Providers in approximately 25 states. The Nevada facility will enable the company to expand the services it offers and build clientele in the western portion of the United States.

State tax credits help finance new technology incubator in St. Louis

Up-and-coming information technology companies will benefit from new incubator space in downtown St. Louis, thanks in part to tax credits approved by the Missouri Department of Economic Development.

The DED approved up to \$100,000 in Small Business Incubator Tax Credits for

the Technology Entrepreneur Center. These state tax credits will help leverage funds to renovate a portion of a building on 210 North Tucker into a non-profit business incubator in downtown St. Louis. This is the second allocation of state resources, as the Center also received \$100,000 in tax credits in November 2002, which leveraged \$200,000 for the establishment of the Technology Entrepreneur Center.

The funds raised through the latest issuance of tax credits will help renovate 10,000 square feet of previously unused office space. The expansion will house the new business incubator, which will provide much needed space for the development of information technology companies in the region. It will also allow the Center to implement several new programs that will benefit the community.

State loan to aid Premier Foods in Milan

A low-interest state loan will provide working capital to help start a food handling business in the former ConAgra facility in Milan. The new company will invest \$7.6 million and create 149 new full-time jobs in the next two years, replacing some of the ones lost when ConAgra closed its facility in 2002.

The Missouri Department of Economic Development (DED) has approved a request from Sullivan County on behalf of Premier Foods, Inc. for a \$750,000 Action Fund Loan. The loan is made through the Community Development Block Grant program.

Premier Foods is being established through the efforts of former ConAgra employees. The company will provide cooking and packing services for the food industry, operating from the former ConAgra facility. All utility services, refrigeration and freezers have been maintained since the closure, so Premier will be able to begin operating immediately in a USDA-approved food handling facility without going through the recertification process.

Premier Foods management has obtained a two-year contract to provide services for ConAgra, which now contracts food processing services through outside vendors. The company will also seek additional contracts to diversify its customer base and grow its business.

Cuba improves downtown district

The city of Cuba will receive state aid to help in the revitalization of its central business district and help stimulate new economic opportunities in the future.

The Missouri Department of Economic Development has approved a \$230,850 down-

town revitalization grant for the city of Cuba through the Community Development Block Grant Program. The city will use these funds to make several improvements to deteriorating infrastructure in its downtown district.

The infrastructure improvements are made possible through a combination of the CDBG grant, HUD funds, in-kind funds from the city and other private funds.

The city proposes to replace old water lines and install new fire hydrants downtown. The main thoroughfare will be resurfaced and vintage-era lighting will be installed. Sidewalks will be elevated, replaced and made ADA accessible, and new curbing and guttering will be installed where storm water problems persist. Most of these improvements will occur along Washington Street, the main entrance to downtown.

Tax credits to assist community agency

The Missouri Department of Economic Development has approved \$500,000 in tax credits through the Family Development Account (FDA) Program for Missourians Asset Development Association (MADA), a Jefferson City community action agency. The FDA program promotes self-sufficiency. Organizations such as MADA that are approved to administer a FDA project recruit low-income Missourians to participate in a matched savings program to help pay for education, job training, home purchases, home renovations and starting a small business.

Specifically, MADA will use funds generated by the tax credits (50 percent of a donation) to help families develop assets through economic education, family savings and matching funds. MADA will serve as the administering agency for the efforts of 17 community action agencies that provide services in 95 counties throughout Missouri.

MADA has outlined several outcomes they hope to achieve under their program, including providing assistance for Missourians who hope to buy a home or own a small business, and to decrease the number receiving public support.

MISSOURI ENTERPRISE

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